

## Notice of Intent to Certify Sole Source

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**To:** Interested Parties

**From:** Craig P. Orgeron, Ph.D.

**CC:** ITS Project Number 42472

**Date:** May 24, 2016

**Re:** Sole Source Certification Number 3895 for Vocera Communications, Inc. Badge Equipment, Software, Accessories, Extended Warranties, and Maintenance for the University of Mississippi Medical Center (UMMC)

**Contact Name:** Teresa Washington

**Contact Phone Number:** 601-432-8049

**Contact E-mail Address:** [teresa.washington@its.ms.gov](mailto:teresa.washington@its.ms.gov)

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### Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3895 for Vocera badge equipment, accessories, and extended warranties for UMMC, please be advised that ITS intends to award the equipment, software, accessories, extended warranties, and maintenance to Vocera Communications, Inc. as the sole source provider of this product and service through July 31, 2020, in an amount not to exceed \$3,866,075.80. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment C: Sole Source Procurement Overview.

### Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

**The Vocera Communications system was acquired in 2007. Vocera's products and services are tailored to UMMC's Amcom (Spoke) and Avaya systems, both of which UMMC currently owns. The badges are lightweight, wearable voice-controlled devices that enable instant two-way or one-to-many conversations using intuitive and simple commands.**

**Although other products can perform some of the same functions, none of them can provide all of the functions Vocera's products currently provide. UMMC would have to install multiple platforms just to provide the same functionalities that Vocera offers, which would be costly to UMMC. The customer's sole source certification request is included as Attachment A.**

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

**The Vocera Communications system provides real-time communications using technology that can run using Smartphones or Vocera provided badges. The system provides user profiles, groups, call management, and an interface to the existing telephony and clinical systems. UMMC has made the business decision to continue the use of these Vocera products and services through July 31, 2020. The customer's sole source certification request is included as Attachment A.**

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

**Vocera is the sole source manufacturer of the Communication Badge. The Vocera Offerings are only available from Vocera in the United States. Vocera has no authorized resellers. The vendor's sole source certification letter is included as Attachment B.**

### **Schedule**

<b>Task</b>	<b>Date</b>
First Advertisement Date	5/24/16
Second Advertisement Date	5/31/16
Response Deadline From Objectors	6/8/16, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 6/9/16

### **Project Details**

UMMC originally procured the Vocera system through Hill-Rom in 2007. Since 2009, UMMC has expended approximately \$433,815.58 for Vocera hardware, software, accessories, extended warranties, and maintenance. UMMC is now seeking to purchase additional hardware, software, accessories, extended warranties, and maintenance through this procurement.

### **Submission Instructions and Format of Response from Objecting Parties**

Interested parties who have reason to believe that the Vocera badge equipment, software, accessories, extended warranties, and maintenance should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to Vocera Communications, Inc.

#### **1.1 Interested Party Information**

1.1.1 Contact Name, Phone Number and email address

1.1.2 Company Website URL, if applicable

#### **1.2 Objection to Sole Source Certification**

1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.

1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.

1.3 Comments will be accepted at any time prior to Wednesday, June 8, 2016, at 3:00 p.m. (Central Time) to Teresa Washington at [teresa.washington@its.ms.gov](mailto:teresa.washington@its.ms.gov) or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Teresa Washington to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

**SUBMITTED IN RESPONSE TO  
Sole Source Certification No. 3895-42472  
Accepted until June 8, 2016 @ 3:00 p.m.,  
ATTENTION: Teresa Washington**

If you have any questions concerning the information above or if we can be of further assistance, please contact Teresa Washington at 601-432-8049 or via email at [teresa.washington@its.ms.gov](mailto:teresa.washington@its.ms.gov).

Attachment A: Customer Sole Source Certification Request  
Attachment B: Vendor Correspondence  
Attachment C: Sole Source Procurement Overview



3771 Eastwood Drive  
Jackson, Mississippi 39211  
Phone 601-432-8000 Fax 601-713-6380

## Sole Source Certification Request

<b>Project Title:</b> <b>Vocera Communications, Inc.</b>		<b>Stimulus (ARRA) Funds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></b>	
<b>Customer Contact Information</b>			
<b>Agency/Public University:</b> University of MS Medical Center <b>Address:</b> 2500 North State Street Jackson, MS 39216		<b>Contact Person:</b> Cindy Freeman <b>Phone:</b> 601-815-6574 <b>Fax:</b> <b>Email Address:</b> cgfreeman@umc.edu	
<b>MAGIC Customer Number</b> (only required from state agencies): <b>5000000052 (UMC-INFORMATION SYSTEMS-12006)</b>		<b>Division/Dept:</b> DIS <b>Handmail:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>Project Summary</b> <i>Narrative Description of Project</i> (include details of original acquisition if applicable): Mechanism to purchase Vocera badges, lanyards, clips, batteries, charging bays, maintenance, warranties Vocera Collaboration Suite, Enterprise Licenses, etc.			
<b>ITS Acquisition Approval (CP-1) should be effective through this date</b> (Please allow time for all vendor invoices to be paid): 7/31/20			
<b>Cost Estimates</b> <i>Fiscal Year</i>	<b>Initial Costs</b>	<b>Ongoing Costs</b>	<b>Time Constraints</b> Item Needed by: asap Funds Expire:
FY17		\$966,518.95	<b>Anticipated Lifecycle of Products/System</b> (i.e. estimated years of effective use):  <b>Discuss Funding</b> (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) <b>100% budgeted funds</b>
FY18		\$966,518.95	
FY19		\$966,518.95	
FY20		\$966,518.95	
<b>Total</b>		\$3,866,075.80	
<b>Acquisition Details</b>			
<b>Items Requested</b>	<b>Quantity</b>	<b>Description</b>	<b>Building Location(s)</b>
Vocera Products	1,500	Badge equipment, software, accessories, extended warranties, and maintenance	UMMC-Campus-wide (main campus)
<b>Describe platform &amp; infrastructure</b> (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting). For equipment or hosting outside the State Data Center, attach justification: UMMC Data Center			
<b>Progress to Date:</b> What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Currently, deployed at multiple location of UMMC main campus Prior CP-1 Sole Source issued. Obtained quotes from Vocera			
<b>Sole Source Certification</b> Note: Certification must be renewed for each revision or continuation of previous Sole Source Approvals.			
<b>Specific business requirements to be met by the requested products or services:</b> <b>The Vocera Communications system provides real-time communications using technology that can run using Smartphones or Vocera provided badges. The system provides user profiles, groups, call management, and an interface to the existing telephony and clinical systems. UMMC has made the business decision to continue the use of these Vocera products and services through July 31, 2020.</b>			
<b>Explain why these products or services are the only ones that can meet your needs</b> (include unique features/special functionality): <b>The Vocera Communications system was acquired in 2007. Vocera's products and services are tailored to UMMC's Amcom (Spoke) and Avaya systems, both of which UMMC currently owns. The badges are lightweight, wearable voice-controlled devices that enable instant two-way or one to many conversations using intuitive and simple commands.</b>			




Attachment A

<p><b>Although other products can perform some of the same functions, none of them can provide all of the functions Vocera's products currently provide. UMMC would have to install multiple platforms just to provide the same functionalities that Vocera offers, which would be costly to UMMC.</b></p>	
<p><b>Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated):</b>  <b>Vocera is the sole source manufacturer of the Communication Badge. The Vocera Offerings are only available from Vocera in the United States. Vocera has no authorized resellers.</b></p>	
<p><b>Explain why the amount to be expended for the services is reasonable:</b> N/A</p>	
<p><b>Explain what your agency did to obtain the best possible price for the services:</b> N/A</p>	
<p><b>Vendor's Certification of Sole Source attached:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <b>Vendor's proposal submitted:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	
<p><b>MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.</b></p>	
<p><b>Place Order To</b>  <b>Vendor Name: Vocera Communications, Inc.</b>  <b>Vendor Address: 525 Race Street,</b>  <b>San Jose CA 95126</b></p>	<p><b>Remit To</b>  <b>Vendor Name: Vocera Communications, Inc.</b>  <b>Vendor Address: P. O. Box 809087</b>  <b>Chicago, IL 60680-9087</b></p>

By my signature, I certify that, to the best of my professional knowledge: the requested product or services are a sole source as outlined in the ITS Procurement Handbook, Rule 207.2:013-030 Procurement Types: Sole Source, and as outlined in Mississippi Code annotated Section 31-7-13. In addition, I acknowledge that there is a charge for ITS procurement services associated with this request which will be billed to the requestor by ITS and that my agency/public university is responsible for these charges/costs.

Ellen Swoger, Associate CIO

Name (Agency Head or Public University CIO)/Title

 5/19/16  
 Signature Date



March 11, 2016

Ms. Cindy Freeman  
IT Contract Administrator-Senior (CMPA)  
Division of Information Systems – Vendor Management  
University of Mississippi Medical Center  
2500 North State Street  
Jackson, Mississippi 39216

Dear Ms. Freeman:

The Vocera offerings specified in our Quote Number MBOVA-121541-004 to the University of Mississippi Medical Center ("Vocera Offerings") consist of (i) our proprietary Communications Badge and its hardware accessories (collectively, "Hardware") and (ii) extended warranties for such Hardware.

This Hardware is the only product that includes a wearable, hand-free device (the Communication Badge) to enable intelligent, real-time communication and collaboration in a mission-critical mobile environment. There is no other lightweight, wearable voice-controlled device that enables instant two-way or one to many conversations using intuitive and simple commands. We are the sole source manufacturer of this device which is unique in its ability to provide user profiles, groups, call management and to interface to existing telephony and clinical systems. The proprietary intellectual property inherent in the Vocera solution is protected in the United States and multiple international jurisdictions through Vocera's trademarks, copyrights, trade secrets and numerous United States patents.

The Vocera Offerings are not available in the United States except from Vocera as we have not authorized any reseller or other third party to offer the Hardware in the United States.

Please contact me (408-882-5991 or JSpitzen@Vocera.com) if you have any further questions.

Sincerely,

A handwritten signature in dark ink that reads "Jay M. Spitzen". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jay M. Spitzen  
General Counsel

## Attachment C: Sole Source Procurement Overview

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website ([www.its.ms.gov](http://www.its.ms.gov)).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment B.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$50,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

## **Attachment C: Sole Source Procurement Overview**

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS. The customer's Sole Source Certification Request for this project is included as Attachment A.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.